

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. V6Z 2N3
CANADA



TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

an Application by Pacific Northern Gas Ltd.
for Approval to Acquire the Granisle Grid Propane Distribution System

BEFORE: L.R Barr, Deputy Chair and)
Acting Chair) July 9, 1997
K.L. Hall, Commissioner)

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

WHEREAS:

- A. On July 7, 1997 Pacific Northern Gas Ltd. ("PNG") pursuant to the Utilities Commission Act ("the Act"), applied to the Commission for a Certificate of Public Convenience and Necessity ("CPCN") to acquire the Granisle Grid Propane Distribution System at Granisle, B.C. ("the Grid System") from Squamish Gas Co. Ltd. ("Squamish Gas"). PNG advised that the current Gas Tariff rates in force for the Grid System will remain in place until such time as they are reviewed in conjunction with a rate design application to be filed by September 1, 1997; and
- B. On June 25, 1997 Squamish Gas applied to the Commission for approval to dispose of the Grid System. On July 9, 1997, the Commission by Order No. G-80-97 approved the disposition for Squamish Gas effective June 30, 1997; and
- C. PNG and Squamish Gas have executed an Asset Purchase Agreement, dated December 20, 1996, that allows the assets of the Grid System to be transferred at net book value excluding product inventories minus a discount of \$37,000, effective June 30, 1997; and
- D. The Commission has reviewed the documents and finds that approval of the acquisition by PNG of the Grid System is necessary and in the public interest.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to Section 45 of the Act, a CPCN is granted to PNG to acquire and operate the Grid System from Squamish Gas at the net book value of the assets, excluding product inventories, less a discount of \$37,000, effective June 30, 1997 in accordance with terms of the December 20, 1996 Asset Purchase Agreement, subject to the receipt of any complaints from customers.
2. PNG is to advise all Granisle Grid customers of the transfer of ownership of the Grid System operations to PNG and that rates will remain in place until a rate design application is filed by PNG on September 1, 1997.
3. A copy of the draft notice to customers is to be sent to the Commission for review prior to it being issued to customers.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of July, 1997.

BY ORDER

Original signed by:

Lorna R. Barr
Deputy Chair and
Acting Chair